

THE SECRETARY OF VETERANS AFFAIRS WASHINGTON

MEMORANDUM FOR UNDER SECRETARIES, ASSISTANT SECRETARIES, OTHER KEY OFFICIALS. DEPUTY ASSISTANT SECRETARIES AND FIELD DIRECTORS

SUBJECT: Fiscal Year (FY) 2010 and FY 2011 Department-wide Small Business Program Goals

The Department of Veterans Affairs (VA) has a long history of supporting small business programs. I am proud to lend my support to ensuring that maximum practicable opportunities exist in VA acquisitions for small businesses, especially those owned by Veterans. Contracting with Veteran-owned small business is a natural extension of the Department's mission. It is good business to spend VA's acquisition dollars to create economic opportunities within the very community we are charged with serving. I am proud that VA was the leader among all Federal agencies in prime contract awards to Service Disabled Veteran Owned and Veteran Owned Small Businesses in FY 2009. VA needs to also be the leader in subcontracting accomplishments.

During my speech at the 5th Annual National Veterans Small Business Conference, I recognized that VA has not done well in regard to subcontracting achievements and stated that this is going to change. I believe our FY 2010 and FY 2011 prime and subcontracting goals reflect VA's strong commitment to small business and Veteran entrepreneurs. While these goals are challenging, they are also realistic, attainable, and take into consideration the realities and competing interests faced by VA acquisition professionals and program officials in carrying out our mission, which includes compliance with all applicable laws and regulations related to contract awards.

Goals for FY 2010 and FY 2011 are based upon total procurement dollars expended. The prime contracting goals are as follows:

Small Business	33.5%
Veteran Owned Small Business	12.0%
Service Disabled Veteran Owned Small Business	10.0%
Small Disadvantaged Businesses (includes Section 8(a))	5.0%
Woman-Owned Small Business	5.0%
Historically Underutilized Business (HUB) Zone Small Business	3.0%

<u>Subcontracting goals</u> for FY 2010 and FY 2011 are as follows:

Small Business	17.7%
Veteran Owned Small Business	5.0%
Service Disabled Veteran Owned Small Business	3.0%
Small Disadvantaged Businesses (includes Section 8(a))	5.0%
Woman-Owned Small Business	5.0%
Historically Underutilized Business (HUB) Zone Small Business	3.0%

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During the coming years, I will recognize outstanding performance by contracting facilities across VA by continuing the Secretary's Socioeconomic Achievement Awards Program. Thank you for your continued support of small business and Veteran entrepreneurs.

/s/Eric K. Shinseki May 7, 2010